



HOME RULE—MEANS BANKRUPTCY !

NO OLD AGE PENSIONS!
NO GRANTS FOR LOCAL RATES!
NO EDUCATION !

The following letter from Mr. A. W. Samuels, K.C.,
appeared in the Irish papers of 6th December, 1910:—

REDMONDITE HOME RULE AND NATIONAL BANKRUPTCY.

Mr. J. Redmond in his article, "What Ireland Wants," has formulated his Home Rule demand. He says—"We want an Irish Parliament with an executive responsible to it . . . charged with the management of purely Irish affairs (land, education, local government,

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transit, labour, industries, taxation for local purposes, law and justice, police, etc.), leaving to the Imperial Parliament, in which Ireland would be represented, but in smaller numbers, the management, just as present, of all Imperial affairs—Army, Navy, foreign relations, Customs, Imperial taxation, matters pertaining to the Crown, the Colonies, and other questions which are Imperial in their nature.”

The financial position of Ireland under this scheme is of vast practical importance to all Irishmen. Let us see how the Irish Chancellor of the Exchequer would have to frame a Budget under these conditions.

It is evident that Mr. Redmond contemplates Ireland contributing its quota to Imperial taxation—National Debt, Army and Navy, and Civil List—but, putting this aside, let us see what the Irish Exchequer must provide for mere local Irish expenditure under the headings mentioned by Mr. Redmond. I shall take the items of revenue and expenditure from the return to the House of Commons of 20th July, 1910.

The total revenue raised in Ireland (tax and non-tax) for the financial year 1909-10 was £9,846,000; and, as corrected, for actual contribution was £8,355,000. The latter figure represents the amount, after taking into account duties paid on articles consumed in Great Britain or Ireland, as the case may be, and certain other adjustments.

From the Irish Revenue of £8,355,000 must be deducted £2,755,000, the amount contributed from Irish Customs, which Mr. Redmond leaves to the Imperial Exchequer. There remains £5,600,000 as the amount of revenue the Irish Chancellor will have for the financial needs of “purely Irish affairs,” to be managed by the Irish Parliament under Redmond Home Rule.

Take the several items of present expenditure, and calculate the results which will face us in the future—

“LAND.”—I do not go into the detail of how land purchase is to be financed. I only deal with the actual expenditure of administering the Land Commission—£286,000—to which must be added £21,000 for Valuation, and £89,000 Ordnance Survey £390,000

“EDUCATION.”—National Board, Colleges and Universities, and National Gallery... 1,659,500

“LOCAL GOVERNMENT.”—Exchequer contribution in aid of rates, etc., under Land Act, 1891, £40,000 ; agricultural grant, under Local Government Act, 1898, £728,000 ; other local grants, £79,000 ; and out of licence duties, £212,500 ; out of Excise, £89,500 ; out of estate duties, £282,000 1,442,500

State contribution for Government buildings, *in lieu* of rates 59,000

“TRANSIT.”—This item possibly anticipates the nationalisation of Irish railways. The future price of the guaranteed stock, which will have to be issued for this operation, is too speculative to calculate upon, but, leaving all this aside, there is an existing Exchequer contribution in aid of rates of £60,000 for Irish railways 60,000

“LABOUR.”—This will have to include the cost of Labour Exchanges, relief of unemployment (£9,000 in 1909-10), etc. Under this heading may be grouped Old Age Pensions, £2,342,000 ; to which

must be added at least £250,000 additional as the pauper disqualification is removed	£2,592,000
“INDUSTRIES.”—Public Works, £204,000 ; Buildings, £264,000 ; Department of Agriculture, etc., £264,000 ; Development Grant, £187,000	655,000
“LAW AND JUSTICE.”—On Consolidated Fund—Judges’, etc., salaries, £109,500. Voted—Prosecutions, etc., £63,500 ; Legal Departments and County Court Offices, £214,000 ; Prisons, £111,500 ; Industrial Schools and Reformatories, £109,000 ; Criminal Lunatic Asylum, £7,000	614,500
“POLICE.”—Dublin Metropolitan Police, £96,000 ; Constabulary, £1,351,000 ...	1,447,000
Expenditure on above items	£8,919,500
Irish revenue available	5,600,000
Deficit	£3,319,500
To the expenditure mentioned under Mr. Redmond’s items must be added expenditure on Excise and Inland Revenue collection, £135,000, and on Post Office services, £1,365,000	£1,500,000
Also on Local Government Board, £67,000 ; Board of Works, £42,000 ; Registrar-General’s Office, £12,000 ; Public Record Office, £6,500 ; charitable donations, etc., £2,000	129,500
	£1,629,500
Leaving an annual deficit of £4,949,000.	

We often hear there will be great economies under Home Rule. There seems to be an idea abroad that Ireland can be financed out of judges' salaries and police reductions ; but even under Home Rule it is possible that Ulster turbulence must be kept in hand. However, let us assume that we have no "law and justice" and no "police" or prisons, industrial schools, and reformatories. These items only amount altogether to £2,061,500, and there still would be the awkward deficit of £2,887,000 to meet out of the Irish revenue. I leave out of account all expenditure on the Viceregal establishment, and assume that the Irish Prime Minister and other members of his Cabinet will give their services gratuitously to their country ; and yet the position of the Irish Chancellor of the Exchequer will be embarrassing in the extreme.

Looking at Irish expenditure of to-day, it is evident that the large items are now OLD AGE PENSIONS, EDUCATION, CONTRIBUTION TO LOCAL RATES, LAND COMMISSION, AGRICULTURAL AND INDUSTRIAL DEVELOPMENT. The Irish people will go mad if these are reduced. They will go madder if their taxation is doubled to keep them up. The Irish "People's Budget" of the future will, indeed, be a puzzle. The income tax will not save the situation—only £388,000 is now raisable under it in Ireland. As we are not to be at liberty, under Mr. Redmond's Home Rule, to impose Custom duties, only the LAND and LICENCES REMAIN, and the whips of Lloyd George will be nothing to the scorpions of Redmond, whenever, in the halcyon days of no police and no judges, a deficit of at least £2,887,000 must be met with a revenue of £5,600,000.

Further, we must assume that Mr. Redmond's negotiations with Mr. Lloyd George and the British Treasury, when they sit down to discuss the details of the Home Rule Bill, will be so successful that he will manage to get Ireland off all contribution to the Civil

List, Army, Navy, National Debt, and Sinking Fund, and all other Imperial services, in exchange for £2,755,000 of Irish Customs and the control by England of Irish trade.—Yours, etc.,

ARTHUR W. SAMUELS.

80 Merrion Square, Dublin,
December 5th, 1910.

MR. REDMOND AND OLD AGE PENSIONS.

In his speech on 9th June, 1909, on the debate on the second reading of the Budget Bill, Mr. John Redmond is reported in "Hansard" to have said:—"The old age pensions have brought relief to many a stricken and unfortunate family in Ireland, but I am not afraid to say, notwithstanding, that, in my deliberate judgment, in the condition of Ireland at the present moment, to spend 2½ millions a year in this way on old age pensions was extravagance, and extravagance which would not have been indulged in by an Irish Parliament composed of Irishmen responsible to the country, and knowing the condition of the country. . . The Chancellor of the Exchequer never stopped to consider whether he could not spend two and a half millions better in Ireland than on old age pensions. England demanded old age pensions, and old age pensions on a scale suited to England, therefore, were granted to England, and because we were tied up in this financial Union with this country Ireland had to be thrown in, and we had this

particular system of old age pensions extended to our country without any consideration or any consultation whether in Ireland the money, or a portion of the money at any rate, might not have been spent in a different and more productive way."

Every credit is due to Mr. Redmond for the courage and candour of this statement. Very few will dispute that, if there were an Irish Parliament, there would be no old age pensions in Ireland, but it is very difficult, on the other hand, to see how, if there was "no consideration or consultation" with the Irish Party about old age pensions, and Ireland was merely "thrown in," Mr. Redmond is now entitled to claim credit for old age pensions as an achievement of his party.

A POSTSCRIPT.

In a further letter to the Irish Press (6th Dec., 1910), Mr. Samuels writes:—

Under the Union Ireland has a constitutional right to common expenditure out of the Imperial Exchequer and to exceptional favour in the matter of taxation, having regard to her relative ability to bear taxation. The whole of Ireland's case, under the Financial Relations Report, turns upon her rights under the Act of Union, Home Rule would repeal the financial clauses of the Act of Union and the Amalgamation of Exchequers' Act. Ireland, then, would have to pay for all local expenditure out of her own resources. Her Customs duties are to be handed over by Mr. Redmond to the Imperial Exchequer. She would then have a revenue of £5,600,000, which

would not finance even education, contribution to local rates—and Old Age Pensions—to say nothing of all other expenditure. This is Bankruptcy.

A POSTSCRIPT

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